

Health Insurance - are you fully protected?

I think we would all agree that health insurance is a pretty important part of life. More-so as we grow older. A great deal of people rely on their employer to provide some type of health insurance in their employment benefit package, but is that insurance always enough?



There is a wide range of plans available and sometimes employers may just want to select the most affordable for their budget. Being affordable is fine but this may leave an employee open to rude surprises at claim time. Some common pitfalls to look out for:

Plans restricting your treatment to certain facilities

Some insurance plans may restrict you to only receiving hospital treatment in a Singapore facility at one of the following: Alexandra Hospital, Changi General Hospital, Khoo Teck Puat Hospital, KK Women & Children's Hospital, National University Hospital, Singapore General Hospital, Tan Tock Seng Hospital as well as these specialist centres: Institute of Mental Health a.k.a. Woodbridge Hospital, National Cancer Centre, National Heart Centre, National Skin Centre and National Eye Centre. It is worth noting that the National Eye Centre also operates a clinic in the private hospital called Gleneagles Hospital but this would not be treated the same way by the insurer as far as a potential claim.

Making sure you read the small print - it's essential when it comes to insurance

Some insurance plans will contain a surgical schedule. For example, although an insurance policy will say the overall limit is SGD 200,000 for Hospital and Surgical procedures, in the **small print it may say 'Subject to Surgical Schedule'** and to understand that one must get out the policy wordings and start reading. The surgical schedule will lay out a certain percentage from the overall limit that will be paid out for specific procedures. The policy might indicate that it will pay 100% for a Thoracic Aortic Aneurysm (meaning an abnormal widening of the body's largest artery passing through the chest) but will only pay up to 70% on a Nasal Rhinoplasty.

What happens with my child's insurance after they turn 16?

Some insurance plans impose age restrictions. This should be of special interest to the Expat raising children in Singapore. **After the child turns 17, 18 or 19, each insurer handles this differently**, they may not be considered a "Dependent" and continue to receive coverage unless they meet specific criteria. Typically an insurer will

allow the child to remain a covered dependent if they are not working full time and are enrolled in a full time educational program. If a dependent should marry in their early adult hood that may also be a factor the insurer uses to exclude your child from being an insured dependent. If your child is a full time student and unmarried one should be able to expect coverage as a Dependent to continue until age 25. Always check with the insurer as there may be some variance in the industry on the maximum age a Dependent is defined as.

Some insurance companies will restrict the type of treatment received in a Hospital emergency room, also known as the "A&E." I have come across medical policies that have specified any **non physical accident will not be claimable**. In other words if I am in a car crash and am admitted to the emergency room I can expect to claim because I was involved in a physical violent accident. If I have a case of food poisoning, provided I am not admitted as an Inpatient and only seen by the staff in the emergency room and then sent home, this would not be claimable.

Do you have a portability clause?

I believe the biggest problem insurance wise facing the Expat and their family is the **loss of insurance coverage if the Expat becomes unemployed**. There is a chance the insurance coverage the employer has extended contains a portability clause but don't assume this to be a fact without reading the policy wordings and asking the insurer. This is particularly helpful in keeping coverage consistent for you and your family. It's also very good to have if you have developed conditions during the time you were covered by your employer's plan because those conditions are now going to be viewed as "Pre Existing Conditions" by any new insurer you approach for coverage and most likely the condition will not be covered should it reoccur under a new insurer. Depending on how serious the condition is it could even prevent you from getting a new insurance plan. **A portability clause in your employer's plan usually must be acted upon within 30 days of leaving employment.**

The rational for Top-Up Health Insurance

We live in uncertain economic times with many global changes taking place therefore even if you have health insurance today through your employer do you really want to rely on it solely?

If you are an Expat from locations such as the UK, Europe, Australia or the USA you should consider getting a personal health insurance plan through an International Insurer and ask specifically if the plan taken will be convertible to your new residence should you leave Singapore and move back to your home country.

To help defray the costs on premium **look into plans that have a Deductible**. The higher the deductible the lower the premium will be. I would then recommend not using your personal plan unless absolutely necessary. Always make your medical claims under the plan your employer provides because it is there as your employment benefit and there is no reason to build a claim history on your personal plan if you don't have to. **Claim on the plan that you stand a chance of losing if your employment changes**. You can always go back to the insurer later and request a change in the Deductible.

Another idea to explore is Hospital Cash plans. The idea behind these plans is that they will pay you in the event of hospitalisation. The hospital cash or income plans pay out a certain dollar amount for every day you are in the hospital, therefore you receive some money even when you are confined to a hospital. Some of these plans may pay more if you are hospitalised in an I.C.U. These plans are separate from medical insurance plans in the sense that they are not designed for you to claim the costs of treatment received in the hospital but only to provide you with income while you are hospitalised.

This article has been written by Thomas Trog at International Protection Group Pte Ltd ('IPG') and not a contract of insurance. Full details of the terms and conditions can be found at www.ipg.sg

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